

October 7, 2008

The City Council of Thief River Falls, Minnesota, met in regular session at 5:00 p.m. on October 7, 2008 in the Council Chambers of City Hall. The following Councilmembers were present: Councilmembers Bendickson, Erickson, Holten, Kajewski, Lee, Schmalz, and Mayor Nordhagen. Councilmember Cullen was absent to attend the LMNC Regional Meeting. Mayor Nordhagen chaired the meeting.

PRESENTATIONS/PROCLAMATIONS/PUBLIC INFORMATION/ ANNOUNCEMENTS

- Financial Planning Week: Councilmember Kajewski moved, being seconded by Councilmember Bendickson to approve the Mayor sign a proclamation declaring the week of October 6-12, 2008 be designated as Financial Planning Week in the City of Thief River Falls. On vote being taken, the Chair declared the motion unanimously carried.
- Manufacturer's Week: Councilmember Schmalz moved, being seconded by Councilmember Kajewski to approve the Mayor sign a proclamation declaring that October 20-24, 2008 be designated as Manufacturer's Week in the City of Thief River Falls. On vote being taken, the Chair declared the motion unanimously carried.

APPROVAL OF AGENDA

Councilmember Kajewski motioned, being seconded by Councilmember Bendickson, to approve the agenda, with the addition of one item. On vote being taken, the motion was unanimously approved and the agenda adopted.

RESOLUTION NO. 10-242-08: APPROVAL OF COUNCIL PROCEEDINGS

Presented as part of the Consent Agenda, Councilmember Bendickson introduced Resolution No. 10-242-08, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to approve the September 16, 2008 Hearing Proceedings and the September 16, 2008 Council Proceedings as presented.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-243-08: APPROVAL OF PAYMENT OF BILLS

Presented as part of the Consent Agenda, Councilmember Bendickson introduced Resolution No. 10-243-08, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to authorize payment of the bills and disbursements in the total amount of \$2,898,082.18. A printout of the approved payments and disbursements is attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-244-08: APPROVAL OF PROGRESSION RAISE FOR ELAINE HALVORSON, UTILITY BILLING CLERK

Presented as part of the Consent Agenda, Councilmember Bendickson introduced Resolution No. 10-244-08, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to approve a Public Utilities Committee recommendation and grant Elaine Halvorson, Utility Billing Clerk, a progression raise. Ms. Halvorson shall progress to Step 3 of the Non-Union Grade Level 4/Pay Range 4 salary schedule retroactive to October 1, 2008.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-245-08: APPROVAL OF RENTAL OF SPACE AT THIEF RIVER FALLS REGIONAL AIRPORT TERMINAL BY GENERAL SERVICE ADMINISTRATION (TRANSPORTATION SECURITY ADMINISTRATION)

A Public Works Committee recommendation was presented. Following discussion, Councilmember Erickson introduced Resolution No. 10-245-08, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City of Thief River Falls, to authorize and direct the Mayor and City Administrator to execute Supplement No. 1 to Lease No. GS-05B-17678 with the General Service Administration (Transportation Security Administration) to renew a lease for space at the terminal building at the Thief River Falls Regional Airport, effective December 1, 2008 through November 30, 2011, as follows:

December 1, 2008 – November 30, 2009 (\$17.00 per rentable square foot annually)	\$226.67 per month
December 1, 2009 – November 30, 2010 (\$17.48 per rentable square foot annually)	\$233.07 per month
December 1, 2010 – November 30, 2011 (\$18.00 per rentable square foot annually)	\$240.00 per month

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-246-08: APPROVAL OF SUPPORT OF RED RIVER BASIN COMMISSION NATURAL RESOURCE FRAMEWORK PLAN

A request from the Red River Basin Commission for support was reviewed. Following discussion, Councilmember Kajewski introduced Resolution No. 10-246-08, being seconded by Councilmember Lee, that:

WHEREAS, we recognize that our actions today impact the legacy we leave the next generation; and,

WHEREAS, we realize that working together allows us to develop and implement creative solutions to problems that work toward the betterment of the whole basin: and,

WHEREAS, the Red River Basin Commission (RRBC) is a unique organization that facilitates a cooperative approach within the basin as well an established forum for identifying, developing, and implementing solutions to cross boundary issues; and,

WHEREAS, the RRBC has developed the Red River Basin Natural Resource Framework Plan (RRB-NRFP) through in-depth basin-wide consultation as a guideline to help unite the basin in achieving a collaborative and cooperative approach to land and water management within the basin.

THEREFORE, BE IT RESOLVED, that the City of Thief River Falls hereby declares support for the RRB-NRFP in principle as a guideline for moving forward with a shared vision for the future.

BE IT FURTHER RESOLVED, that the City of Thief River Falls will do their part by implementing projects, programs, and actions in their area as they are able that will contribute to this shared vision.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-247-08: APPROVAL OF IDENTITY THEFT PREVENTION PROGRAM AND APPOINTMENT OF BARRY FROILAND AS PROGRAM ADMINISTRATOR

The City Council reviewed a proposed identity theft prevention program. Following discussion, Councilmember Bendickson introduced Resolution No. 10-247-08, being seconded by Councilmember Erickson, that:

WHEREAS, the Fair and Accurate Credit Transactions Act of 2003 (FACTA) requires every financial institution and creditor to establish an Identify Theft Prevention Program tailored to its size, complexity, and the nature of its operation.

WHEREAS, according to the Red Flags Rule portion of FACTA, a municipal utility is a creditor subject to the Rule requirements.

WHEREAS, the League of Minnesota Cities has requested a ruling from the Federal Trade Commission on any other municipal entities that may be covered under this law and this Program may be amended in the future to follow that ruling.

WHEREAS, the required Identity Theft Prevention Program must contain reasonable policies and procedures to 1) Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the Program; 2) Detect Red Flags that have been incorporated into the Program; 3) Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and 4) Ensure the Program is updated periodically to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

THEREFORE BE IT RESOLVED, that the City Council of Thief River Falls hereby adopts the Thief River Falls Municipal Utilities Identity Theft Prevention Program as attached and appoints Barry Froiland as the Program Administrator.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-248-08: APPROVAL OF AMENDMENT TO RALPH ENGELSTAD ARENA RENTAL AGREEMENT APPLICATIONS

The City Council reviewed a recommendation from the City's LMCIT agent, Thune Insurance Network. Following discussion, Councilmember Schmalz introduced Resolution No. 10-248-08, being seconded by Councilmember Kajewski, that:

WHEREAS, Resolution No. 5-139-08 approved the application forms for leasing of the Ralph Engelstad Arena and Ralph Engelstad Arena Imperial Room; and,

WHEREAS, individuals have encountered difficulties in obtaining the requirement for the City to be named as "additional insured" for the liability insurance coverage and it has been advised by Thune Insurance Network to revise the forms to remove the requirement for the City to be named as an additional insured on the Certificate of Insurance for individuals only.

THEREFORE, BE IT RESOLVED, to amend the application forms used by individuals for rental of the Ralph Engelstad Arena and the Ralph Engelstad Arena Imperial Room to remove the requirement for the City to be named as an additional insured on the Certificate of Insurance requirements.

It should be noted that businesses and corporations that rent either of the facilities will still be required to name the City of Thief River Falls as an additional insured on the Certificate of Insurance.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-249-08: APPROVAL OF COMMERCIAL STOREFRONT RENOVATION LOAN TO HEATHER BAYNE AND BILL LASALLE dba H.D. FLORAL AND DESIGN

A Community Development Advisory Board recommendation was presented. Following discussion, Councilmember Bendickson introduced Resolution No. 10-249-08, being seconded by Councilmember Kajewski, that:

WHEREAS, the Community Development Advisory Board met on October 1, 2008 to consider a Commercial Storefront Renovation Loan application submitted by Heather Bayne and Bill LaSalle, owners of property located at 104 2nd Street East, d.b.a. H.D. Floral and Design, to assist in financing installation of new awnings and signage, insulating their coolers and other parts of the building, new wiring, and other building improvements; and,

WHEREAS, the Community Development Advisory Board has recommended that the City Council approve the loan as requested.

THEREFORE, BE IT RESOLVED, by the City Council, to accept a Community Development Advisory Board recommendation and grant Heather Bayne and Bill LaSalle a \$14,000.00 Commercial Storefront Renovation Loan for renovations at 104 2nd Street East. The loan will be payable over five years at three percent interest.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-250-08: RESOLUTION APPROVING EXECUTION OF DEVELOPMENT AGREEMENT WITH MIDWEST MINNESOTA COMMUNITY DEVELOPMENT CORPORATION FOR HOUSING PROJECT

Community Development Director Moore presented information with regard to the Developer's Agreement of TIF 1-7 Elementary First Addition. Following discussion, Councilmember Lee introduced Resolution No. 10-250-08, being seconded by Councilmember Kajewski, that:

BE IT RESOLVED by the City Council (the Council) of the City of Thief River Falls, Minnesota (the City), as follows:

Section 1. Recitals.

1.1. Midwest Minnesota Community Development Corporation (the Developer) is the owner of certain property located in the City and proposes to construct thereon thirty-one (31) single-family, owner-occupied homes designed to be affordable for persons of low and moderate income and public improvements directly related thereto(the Project). The Developer has represented that all of the planned improvements will meet the criteria necessary to qualify as housing for persons or families of low and moderate income under Minnesota Statutes, Section 469.174, subdivision 11.

1.2. Due to a financing gap, the Developer requires financial assistance in order to complete the Project.

1.3. In order to encourage Developer to proceed with the construction and installation of the Project, and to assist Developer in paying the costs thereof, the City is willing to contribute financial assistance to the Project in the form of \$2,137,074 in tax increment financing revenues from its Tax Increment Financing District No. 1-7 (the Financial Assistance) to pay certain public development costs that will be incurred by Developer.

1.4. The Financial Assistance is contingent upon the execution and delivery of a Development Agreement with the Developer and of certain related documents referenced therein (collectively, the Development Agreement).

Section 2. Approval and Execution of Development Agreement.

2.1 The Financial Assistance in an amount not to exceed \$2,137,074, is hereby approved.

2.2 The form and the terms of the Development Agreement are hereby approved. The Mayor and City Administrator are hereby authorized to execute and deliver the Development Agreement and related documents in substantially the form presented to the Council on this date, with such changes and modifications thereto as may be approved by the officers executing the Development Agreement. The execution and delivery of the Development Agreement by the Mayor and City Administrator shall be conclusive of any change or modification to the Development Agreement.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 10-251-08: APPROVAL OF SALVATION ARMY HEATSHARE PROGRAM

Public Utilities Director Rude presented the Salvation Army Heatshare Program for the 2008/2009 heating season. Following discussion, Councilmember Lee introduced Resolution No. 10-251-08, being seconded by Councilmember Kajewski, that:

WHEREAS, in conjunction with the Salvation Army, the City proposes to adopt an energy related program to advance the common good and general welfare of the people by soliciting voluntary contributions from utility customers and employees to assist needy customers of the Thief River Falls public utilities with energy related problems, including but not limited to residential heating bills, repairs on home heating equipment, and shut offs; and to provide assistance in reducing the cost of utilities for qualified low-income elderly, disabled, and others with special needs who have difficulty paying their energy related expenses.

THEREFORE, BE IT RESOLVED, by the City Council, to authorize and direct the Mayor and City Administrator to execute a HeatShare Program Agreement in conjunction with the Salvation Army, effective September 1, 2008 through August 31, 2009.

On vote being taken, the resolution was unanimously passed.

UPCOMING MEETINGS

- Budget/Finance Meeting - October 14, 2008 at 4:30 p.m.
- Long Range Planning/Annexation Meeting – October 15, 2008 at 4:30 p.m.
- Personnel/Labor Meeting – October 16, 2008 at 4:30 p.m.
- Capital Acquisitions Meeting – October 20, 2008 at 4:30 p.m.
- Planning Commission Meeting – October 20, 2008 at 7:00 p.m.
- City Council Meeting – October 21, 2008 at 5:00 p.m.

ADJOURNMENT

There being no further discussion, Councilmember Schmalz moved, being seconded by Councilmember Bendickson, to adjourn the meeting at 5:20 p.m. On vote being taken, the Chair declared the motion unanimously carried and the meeting adjourned.

Steve Nordhagen, Mayor

Attest: _____
Jodie R. Torkelson, City Administrator